Value of textiles produced and exported

*535. DR. V. MAITREYAN: Will the Minister of TEXTILES be pleased to state:

the total value of textiles produced and exported out of the country during the last five years, both in value and quantity;

the steps being taken to increase the production and exports of textiles;

whether it is a fact that the industry is suffering for want of incentives for exports; and

what special steps are being taken to improve and modernize the industry for its optimum growth?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The quantity and the value of textile items produced and exported during the last five years is given in the enclosed Statement I and II respectively *(See* below).

(b) to (d) The Government has introduced various schemes/measures to increase production and exports of textiles. Some of the schemes/measures are given in enclosed Statement III *(See* below). The Government, under Foreign Trade Policy, has given/continued various incentives to the industry including textiles industry, which would facilitate improvement in export performance. Some of the important measures are given below:

DEPB Scheme extended till May, 2009.

Income Tax benefit to 100% Export Oriented Units (EOUs) under Section 10B of Income Tax Act, being extended, for one more year, beyond 31.3.2009.

Customs duty payable under Export Promotion Capital Goods (EPCG) scheme reduced from 5% to 3%.

Average export obligation under EPCG for Premier Trading Houses shall, as an option, be calculated; based on the average of last 5 years export, instead of the present 3 years.

Exports made towards fulfilment of export obligation under EPCG Scheme shall be eligible for incentives/rewards under promotional schemes.

In case of textile and granite sector EOUs, payment of only excise duty on Domestic Tariff Area (DTA) sale. In case the use of duty paid imported inputs in up to 3% of the FOB value of exports.

An enhanced duty credit scrip of 2.5% (instead of the normal 1.25% under Focus Product Scheme) would be allowed for export of High value added manufactured products.

Inclusion of 10 more countries within the ambit of Focus Market Scheme.

Measures to reduce transaction cost to the exporters and procedural simplification have also been incorporated.

Statement'!

Production of Textiles Items

Quantity-Fibre andyarn=Mn. Kg., Fabrics=Mn. Sq.mtr. Garments=Bn. Pieces.

Value=Rs. Crore

ITEMS	2002-2003		2003-2004		2004-2005		2005-2006		2006-2007	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Fibre	3292	17203	4060	25552	5215	32228	5127	27441	5961	32188
Yam	4181	43761	4169	47076	4331	52534	4637	52168	5183	59880
FABRICS Including Made-ups	41973	104932	42383	127149	45378	145209	49577	173519	53389	213556
Ready Made Garments	4.9	56884	5.6	65417	63	75203	7.9	93328	9.1	112927

NOTE: Production and value of Readymade garment has been estimated.

Statement-II

Export of textile items

Quantity-Fibre andyarn=Mn. Kg, Fabrics=Mn. Sq.mtr. Garments=Bn. Pieces.

Value=Rs. Crore

ITEMS	2002-2003		2003-2004		2004-2005		2005-2006		2006-2007	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Fibre	93	414	281	1389	227	1053	772	3501	1432	7283
Yarn	871	8708	842	8981	876	9060	941	10033	1083	11949
Fabrics Including Made-ups	6211	20490	5187	22885	5394	24686	5713	27306	6722	28519
Ready Made Garments	2.3	27771	1.9	28688	1.7	29538	2.5	38193	2.4	40280
GRAND TOTAL:	-	57383	-	61942	-	64337	-	79033	-	88031

Source: Monthly Statistics of the Foreign Trade of India, DGCIS, Kolkata.

NOTE: Grand Total of Quantity is not possible as : of quantity is different for different

Statement-Ill

Steps taken by the Government to strengthen the textile industry

In order to facilitate modernization/Technology Upgradation of Textiles mills, Government have launched Technology Upgradation Fund Scheme for Textile and Jute Industries w.e.f. 1.4.1999 for a period of 5 years which was subsequently extended up to 31.3.2007 and stands extended during Eleventh Five Year Plan (w.e.f. 01-11-07) with special thrust on garmenting, technical textiles and processing segments. Under TUFS 10990 units with a project cost of Rs. 86,026.45 crore have been sanctioned an amount of Rs. 36,950.11 crore as on 31.03.2007. Out of this Rs. 27,448.86 crore have been disbursed to 10216 units as on 31.03.2007. Under TUFS, an option has been provided to the Small Scale Textile and Jute Industries to avail of either 15% Credit Linked Capital Subsidy (CLCS) or the existing 5% interest reimbursement under the TUFS. An additional option has been given to powerloom units w.e.f. the 6th November, 2003 to avail of 20% capital subsidy under TUF Scheme. Modifications in technology and financial norms of the scheme are being made on a continuous basis to make the scheme more industry friendly. The Government has approved additional 10% capital subsidy for specified processing machinery under TUFS, w.e.f. 20/4/2005.

With a view to making textile industry more competitive, import duty on raw materials such as DMT, PTA and MEG has been reduced from 7.5% to 5% in November, 2007 and import duty on PSF, PFY and Polyster chips from 7.5% to 5% in November, 2007. The import duty on all man-made fibres/filament yarns/spun yarns excluding that of Nylon has been reduced from 10% to 5% and that of Paraxylene from 2% to 0% in November, 2007. In the Budget 2008-09, the optional exemption for entire textile sector other than the man made fibre & filament yarn continues. The peak rate of CENVAT of all goods (including textile machineries) reduced from 16% to 14%. However, excise duty exemption for 16 specified silk textile machinery under List 3 and 8% duty from List 2 (40 machinery) continues. The concessional duty of 5% on 387 machinery of List 30,31,32,45 and 46 continues to be at 5% and import duty on other textile machinery continuous to be at 7.5%. Central Sales Tax reduced from 3% to 2%.

National Textile Policy 2000 has already been formulated by the Government aimed at developing a strong and vibrant textile industry that can attain and sustain a pre-eminent global standing in the manufacture and export of clothing in the globalized scenario. The action have been taken/are being taken as per the policy to promote the textile industry.

Government has allowed 100% Foreign Direct Investment (FDI) in the textile sector under automatic route.

Technology Mission on Cotton (TMC) was launched in the year 2000 to improve productivity and quality of Indian cotton. Under Mini-Mission-III, 246 projects with project cost of Rs. 48514.19 lakh have been approved for development. Out of these, 192 projects with actual project cost of Rs. 17123.24 lakh have been completed by Feb.2008. Under Mini-Mission-IV, 948 projects with project cost of Rs. 135183.90 lakh have been approved. Out of these, 526 projects with actual cost of Rs. 63809.62 lakh have been completed till Feb. 2008.

To provide the textiles industry with world class infrastructure and to give a fillip to production and exports of textiles products, a centrally sponsored scheme titled Scheme for Integrated Textile Parks (SITP) was launched by merging the existing two schemes namely the Scheme for Apparel Parks for Exports (APE) and Textile Centre Infrastructure Development Scheme (TCIDS). The SITP is expected to plug critical infrastructure gaps in traditional textile/apparel clusters to help the units located therein to become globally competitive.

The National Institute of Fashion Technology (NIFT) has been setup to provide a leadership role in sensitizing the industry to the concept of value addition by inducting trained professionals to manage the industry.

In order to strengthen the small scale powerloom sector, schemes such powerloom cluster development scheme, upgradation of textile testing laboratories and weaver service centres, modernization of powerloom service centres etc. have been taken up by the Government.

The Government has de-reserved the readymade garments, hosiery and knitwear from SSI sector.

Allotment of houses under IAY

†*536. MISS ANUSUIYA UIKEY: Will the Minister of RURAL DEVELOPMENT be pleased to state:

the basis on which funds are distributed by Government for allotment of houses under the Indira Awas Yojana (IAY);

whether the funds are being provided to the States for allotment of houses on the basis of norms laid down; and

the State-wise details of the amount allocated during the last three years?

THE MINISTER OF RURAL DEVELOPMENT (SHRI RAGHUVANSH PRASAD SINGH): (a) The funds under Indira Awaas Yojana (IAY) are allocated to the States/UTs in accordance with pre-determined criteria assigning 75% weightage to housing shortage and 25% weightage to poverty ratio. The allocation among districts within the States is made by assigning 75% weightage again to housing shortage and 25% weightage to SC/ST population in the district. As per the IAY guidelines, the District Panchayat/Zilla Panchayat/ District Rural Development Agencies (DRDAs) on the basis of allocations made and targets fixed shall decide the number of houses to be constructed/upgraded Panchayat-wise under IAY, during a particular financial year.

Yes, Sir.

State-wise details of allocation made under Indira Awaas Yojana (IAY) during the last three years is enclosed as Statement.

†Original notice of the question was received in Hindi